\$1 	Case 3:07-cv-04892-EDL Document 2	Piled 01/07/2	008 Page 1 of 7		
1 2 3 4 5 6 7 8 9	EDITH A. THOMAS (SBN 220820) Attorney at Law 214 North Ridge Drive, Suite B Fallbrook, CA 92028 Telephone: (888) 349-3940 Facsimile: (760) 728-9518 ediththomas1@aol.com  DOUGLAS J. MELTON State Bar #161353 JOHN B. SULLIVAN State Bar #238306 LONG & LEVIT LLP 465 California Street, Suite 500 San Francisco, CA 94104 TEL: (415) 397-2222 FAX: (415) 397-6392 dmelton@longlevit.com / jsullivan@longlev  Attorneys for SAW Entertainment, LTD d/b/a Hustler Club-San Francisco and BS Ma	<u>)</u> it.com			
11	UNITED STATES DISTRICT COURT				
12	NORTHERN DISTRICT OF CALIFORNIA				
13	SAN FRANCISCO DIVISION				
14		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
15	PETER E. KRESSY,	Case No.: C-07-48	92-FDL		
16		SUPPLEMENTAL EVIDENCE REGARDING INTERSTATE COMMERCE IN SUPPORT OF			
17	Plaintiff,				
18	V.	MOTION TO CO	MPEL ARBITRATION		
19	LARRY FLYNT'S HUSTLER CLUB SAN FRANCISCO, BS MANAGEMENT,	Courtroom:	E, 15 <sup>th</sup> Floor		
20	SAW ENTERTAINMENT LTD. – HUSTLER	Judge:	Hon. Elizabeth D. Laporte (Magistrate Judge)	rte	
21	HOOLEIM	Trial:	None Set		
22	Defendants	Action Filed:	September 20, 2007		
23	Detendants				
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VIT LLP	SUPPLEMENTAL EVIDENCE REGARDING IN	-	CE IN SUPPORT OF MOTION	TO	

## Pursuant to the Court's December 18, 2007 Order following the hearing on Defendants' 1 Motion to Compel Arbitration, that Defendants submit evidence regarding the impact on 2 interstate commerce of the operations of Defendant Larry Flynt's Hustler Club, Defendants 3 hereby submit the declaration of Joseph Carouba attached hereto as Exhibit A. 4 5 6 Dated: January 7, 2008 LONG & LEVIT LLP 7 Ву 8 **DOUGLAS J. MELTON** 9 JOHN B. SULLIVAN Attorneys for SAW Entertainment, LTD 10 d/b/a Hustler Club-San Francisco and BS Management 11 12 DOCS\S0301-068\543777.V1 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28

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LONG & LEVIT LLP

465 CALIFORNIA STREET
SUITE 500
SAN FRANCISCO
CALIFORNIA 94104
(415) 397-2222

EXHIBIT A

**************************************			
1 2 3 4 5 6 7 8 9	EDITH A. THOMAS (SBN 220820) Attorney at Law 214 North Ridge Drive, Suite B Fallbrook, CA 92028 Telephone: (888) 349-3940 Facsimile: (760) 728-9518 ediththomas1@aol.com  DOUGLAS J. MELTON State Bar #161353 JOHN B. SULLIVAN State Bar #238306 LONG & LEVIT LLP 465 California Street, Suite 500 San Francisco, CA 94104 TEL: (415) 397-2222 FAX: (415) 397-6392 dmelton@longlevit.com / jsullivan@longlevi Attorneys for SAW Entertainment, LTD d/b/a Hustler Club-San Francisco	<u>t.com</u>	
11	UNITED STATES DISTRICT COURT		
12	NORTHERN DISTRICT OF CALIFORNIA		
13	SAN FRANCISCO DIVISION		
14			
15	PETER E. KRESSY,	Case No.: C-07-4892-EDL	
16	Plaintiff,	DECLARATION OF JOSEPH CAROUBA REGARDING INTERSTATE COMMERCE IN	
17	V.	SUPPORT OF MOTION TO COMPEL	
18	LARRY FLYNT'S HUSTLER CLUB	ARBITRATION AND STAY COURT PROCEEDINGS	
19	SAN FRANCISCO, BS MANAGEMENT, SAW ENTERTAINMENT LTD. –		
20	HUSTLER		
21			
22	Defendants		
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27  28  LONG & LEVIT LLI  465 CALIFORNIA STREET		1	

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LONG & LEVIT LLP CALIFORNIA STREET

## I. JOSEPH CAROUBA, declare:

I am the Manager of SAW Entertainment, LLC d/b/a Hustler Club (hereafter "Hustler"). I have personal knowledge of the facts set forth in this declaration and, if called upon as a witness, I could and would competently testify thereto.

- Hustler operates a San Francisco nightclub serving food and alcohol and offering 1. exotic dance entertainment;
- I am familiar with Hustler's business practices and clientele; also, in preparing 2. this declaration I reviewed Hustler's schedule of vendors and various contracts with out-of-state vendors;
- "Hustler" is a registered trade name, which is licensed to nightclubs throughout the 3. United States (and in France) including, of relevance here, the Hustler club in San Francisco. Upon information and belief, there are other Hustler clubs in Redlands, San Diego and Westminster, California, as well as in Washington Park, Illinois, New Orleans, Louisiana, Baltimore, Maryland, New York, New York, Cleveland, Ohio and Paris, France.
- Hustler Club in San Francisco regularly and routinely has out-of-state customers who are tourists and business persons from outside the State of California. These out-of-state citizens spend money at Hustler, both in the form of cash and by use of credit cards.
- Hustler contracts with entertainers who travel from out of state to perform their 5. exotic dance entertainment at Hustler.
- Hustler pays royalties on the use of music, which payments are made to ASCAP in 6. Chicago, Illinois.
- Hustler purchases a portion of its food, alcohol and supplies from out of state 7. businesses, including by way of example, coffee from Portland, Oregon, office supplies from Stapes Business Advantage in Hartford, Connecticut, printing services from Just Print Everything.com in Winter Park, Florida; music from Broadcast Music, Inc. of Atlanta, Georgia, furniture from KG Furniture Manufacturing, Inc. in Houston, Texas and from Grasser Chair Company of Youngstown, Ohio.

,	8. Hustler has contracts with out-of-state businesses, including, by way of example,
2	Shindel, Rock & Associates, P.C. of Novi, Michigan, which provides it with tax and accounting
3	services.
4	9. Hustler contracts with out-of-state payroll and accounting services, including, by
5	way of example, Consolidated Bookkeeping Service, Inc. of Seattle, Washington.
6	10. Hustler regularly advertises through out-of-state and web based sources, including
7	by way of example Exotic Dancer Publications, Inc. of Clearwater, Florida, Morris Visitor
8	Publications, LLC of Augusta, Georgia, and The Map Network, Inc. of Chicago, Illinois.
9	11. It is my understanding that all of the aforementioned activity impacts interstate
10	commerce.
11	
12	I declare under penalty of perjury, under the laws of the United States of America, that the
13	foregoing is true and correct. Executed this 38 Day of January 2007 at San Francisco,
14	California.
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17	JOSEPH CAROUBA
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LONG & LEVIT LLP  465 CALIFORNIA STREET SUITE 500 SAN FRANCISCO	DECLARATION OF JOSEPH CAROUBA - C-07-4892-EDL
CALIFORNIA 94104 (415) 397-2222	

1	PROOF OF SERVICE				
2	I am employed in the City and County of San Francisco, California. I am over the age of				
3	18 years and not a party to the within action. My business address is Long & Levit LLP, 465 California Street, Suite 500, San Francisco, California 94104.				
4	On January 7, 2008, I served the document(s) named below on the following attorney(s)				
5	of record and/or interested parties in the case of <i>Kressy v. Larry Flynt's Hustler Club San Francisco</i> , et al., United States District Court Northern District of California Case No. C-07-				
6	4892-EDI.				
7	SUPPLEMENTAL EVIDENCE REGARDING INTERSTATE COMMERCE IN				
8	SUPPORT OF MOTION TO COMPEL ARBITRATION				
9	SERVED ON:				
10	Peter E. Kressy				
11	601 Steiner Street				
12	San Francisco, CA 94133				
13					
14	(BY MAIL) I am readily familiar with Long & Levit LLP's practice for collection and processing of documents for mailing with the United States Postal Service. I caused such				
15	document(s) to be placed in a sealed envelope, addressed to the person(s) on whom it is to be delivered pursuant to the attached service list, with postage thereon fully prepaid, to be				
16	deposited with the United States mail at San Francisco, California, that same day in the ordinary course of business.				
17 18	(BY ELECTRONIC FILING) I electronically filed the document(s) with the Clerk of				
19	Court using the CM/ECF system, which will send notification of such filing to the person(s) or attorney(s) of record at the listed email address.				
20	I declare under penalty of perjury under the laws of the State of California that the				
21	foregoing is true and correct.				
22	Executed on January 7, 2008, at San Francisco, California.				
23	Cividy C. Ratcleff				
24	Cindy C. Ratcliff				
25	DOCS\S0301-068\543577.V2				
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LONG & LEVIT LLP  465 CALIFORNIA STREET SUITE 500 SAN FRANCISCO CALIFORNIA 94104 (415) 397-2222	PROOF OF SERVICE				

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